

House Republican Press Release

March 16, 2006
Press Office: 860-240-8700

Rep. Piscopo Testifies in Favor of Prevailing Wage Reform Proposal



Bill Would Lower Cost of Public Works Projects to Towns, Create Jobs

State Representative John E. Piscopo today testified in favor of legislation (House Bill 5741) that would reform the state's prevailing wage law and reduce construction costs for local public works projects.

"If this bill becomes law, it would mean towns would not have to pay union scale wages for either new construction projects costing less than \$1 million or for renovation and repair jobs costing less than \$500,000. The change would encourage towns to proceed with projects they might otherwise postpone under existing state law," said Representative Piscopo, R-76th District, who has been working to reform the law for several years.

Representative Piscopo testified on the bill at a public hearing conducted by the state legislature's Labor and Public Employees Committee.

Under current law, workers employed on state and local government construction projects costing more than \$400,000 or on state and local alteration and repair jobs costing more than \$100,000 must be paid at a rate equal to the rate prevailing for the same work in the same trade or occupation in the town in which the public works project is being constructed, which usually translates to union scale wages.

"Connecticut has an extremely low prevailing wage threshold for public works projects - and it has not been changed for more than a decade," Representative Piscopo said in testimony before the committee. "During that time, inflation and the cost of construction materials have combined to drive up the cost of public works projects. At today's prices, it is unreasonable and unfair to keep prevailing wage limits at present levels."

"If this measure is enacted, it will allow more small contractors to compete successfully for public works projects. There are hundreds of school construction and other public works projects that cost more than one million dollars as well as renovation projects that total more than five hundred thousand dollars," Representative Piscopo testified.

"When the higher costs required by the prevailing wage law are factored into the cost of a project, they become far more expensive for our towns and cities - especially during economic downturns. Raising the prevailing wage thresholds to \$1 million and \$500,000 would encourage many municipalities to proceed with long overdue projects that have been postponed because of their high cost," Representative Piscopo said.

"Most polls show that jobs and the economy are the issues of greatest concern for Connecticut residents this year. This legislation will encourage economic growth and provide new jobs for Connecticut's under-employed construction workers," Representative Piscopo said.